

Memorandum

To: Panel Members Date: June 26, 2003

From: Dolores Kendrick, Manager
Peter DeMauro, General Counsel Analyst: Elsa Wadzinski

Subject: Proposed Amendment Number 1 for **Rio Hondo College**
(www.riohondo.edu)

CONTRACTOR:

- Multiple Employer: Training Agency
- Training Project Profile: Retraining: companies with out-of-state competition
- Legislative Priorities: Moving to a High Performance Workplace, Promotion of California's Manufacturing Workforce, and Potentially Displaced Workers
- Type of Industry: Various Industries
- Repeat Contractor: Yes
- Union Representation: Yes
- Name and Local Number of Union representing workers to be Trained: The International Association of Machinists and Aerospace Workers, District Lodge 725

CONTRACT:

- Program Costs:
 - Present Program Costs:** \$158,860
 - Amendment Program Costs +:** \$78,000
 - Total Program Costs:** \$236,860
- Multiple Employer Support :
 - Present Contract Support (8 %):** \$10,980
 - Amendment Support (8 %):** \$5,400
 - Total Support :** \$16,380
- Substantial Contribution:
 - Present Contract Contribution:** \$0
 - Amendment Contribution +:** \$0
 - Total Contributions:** \$0
- Total ETP Funding: \$253,240
- In-Kind Contribution: \$137,795
- Maximum Contractor Charge: N/A per trainee
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Los Angeles
- Duration of Agreement: 24 months

ACTIVE PROJECTS:

The following are current project statistics:

| Agreement No. | Term | Agreement Amount | Number To be Retained | Number Enrolled | Number Completed Training | Number Hired (Complete for new hires only) | Number retained for 90 days |
|---------------|---------------------|------------------|-----------------------|-----------------|---------------------------|--|-----------------------------|
| ET03-0196 | 12/02/02 – 12/01/04 | \$169,840 | 265 | 118 | 59 | N/A | 0 |

Per the June 3, 2003 Monitoring Visit, 153 trainees began training. Additionally, another 58 trainees will complete training by July 18, 2003.

NARRATIVE:

Rio Hondo College is eligible to contract with the Employment Training Panel under California Unemployment Insurance Code Section 10205(c) as a Training Agency. Participating employers will be eligible for Employment Training Panel funding under Title 22, California Code of Regulations, Sections 4416 (a), (b) or (c), as manufacturers and other companies facing out-of-state competition. Participating employers will meet the Employment Training Panel's funding priorities specified in California Unemployment Insurance Code, Section 10200 (b)(3), (4) and (7), as moving to a high performance workplace, workforce likely to be displaced, and/or promoting the retention and expansion of the state's manufacturing workforce.

The Panel approved this Agreement at the November 2002 Panel meeting. Because of employer demand, Rio Hondo College is requesting to add a second phase of training. The Contractor's representative states that Rio Hondo has found additional employers in need of the training offered in this Agreement. Amendment Number 1 will add Phase II training for 150 additional trainees.

The original estimate of training slots was based on the results of prior Agreements combined with more recent marketing efforts. Rio Hondo states that they currently have a number of participants ready to start training and have run out of slots in Job 1 (40 hours) to accommodate them. The Agreement currently allocates 175 slots for Job 1 trainees. The Contractor currently has 115 active participants who are in training or have completed training, and another 155 ready to start. Further, another two companies are in the scheduling stage and would like to start training as soon as possible if the Amendment is approved. The Contractor is requesting to add Phase II training to accommodate and meet the needs of these participating employers. Phase II will add Job 3 for 150 trainees to receive 40 hours of training.

Employer Demand

Rio Hondo College markets its ETP-funded training program primarily to manufacturers and companies facing out-of-state competition. These employers are recruited from a database of contacts that includes: prior training contracts; referrals from other customers; contacts made at local Chamber of Commerce and other community events; referrals from other colleges; and membership lists from community organizations. Rio Hondo College also presents workshops, conducts open meetings, makes presentations at local events and exhibits at conferences and trade shows to identify other potential clients. In addition, the Training Group markets for the group as a whole as well as for each of the member colleges.

NARRATIVE: (continued)

Employer Demand (continued)

Through marketing and work with employers in the community, Rio Hondo has determined that there is a continuing need for the training outlined in this proposal. As part of the marketing and recruitment program, representatives meet individually with prospective customers to determine their training needs. Performance assessments are conducted to determine the best way to provide the customer with the results required. This may include interviews with management and employees, focus groups, observation of work in progress, and assessment tests. The curriculum is then developed using the latest techniques and customized to each company's needs and to the specific group to be trained. In many cases, specific company materials such as policy and procedure manuals, documents, forms and sample projects are used to direct the curriculum development process and in the delivery of training.

Once training has begun, the college solicits continuous feedback regarding the effectiveness of the program. Evaluations are given to trainees at regular intervals to find out if they feel the training is helping them with their job and what curriculum material, if any, should be changed or revised. Trainees' supervisors are also contacted for input on the curriculum and to find out if they perceive on-the-job improvements. Trainees and supervisors also do evaluations at the end of training which are used to make curriculum adjustments. In this way, the curriculum is constantly attuned to the needs of the employers and the trainees.

Rio Hondo College obtains support from top management of each company in order to reinforce the commitment to the training program. The companies have committed to providing the participants with release time and full pay while in training; and have determined ways to work with the trainees after training is completed to assure that the training is used in their job performance to increase company effectiveness.

Supplemental Nature of Training

The participating companies understand that training provided through Employment Training Panel funding is always supplemental to and does not replace any training they do on their own. Most of the companies have no established, ongoing training programs and have generally only provided new employee orientation and safety training. In some cases, new supervisors get a brief overview of the employer's expectations as a supervisor. Current training is given by Human Resource personnel in short, one to two hour orientation workshops or by supervisors while on-the-job. Companies may also have short training on specialized, computer software programs provided on a one-to-one basis by a representative from the software manufacturer.

Any training provided by Rio Hondo College through the Employment Training Panel program will be in addition to training the participating employers do on their own and is much more extensive than what the employers provide.

NARRATIVE: (continued)

In-Kind Contribution

Total In-Kind \$137,795 which consists of:

Phase I

The “core” participating employers’ in-kind contribution to this program is approximately \$87,295, comprised of \$80,640 in trainee wages and fringe benefits while in training and \$6,655 in materials, supplies and staff time used to conduct assessments and coordinate training.

Phase II

Rio Hondo College certifies the participating employers in this phase will contribute approximately \$50,000, \$48,000 in trainee wages and fringe benefits while in training and \$2,500 in materials supplies and staff time used to conduct assessments and coordinate training.

PROPOSED ACTION:

Staff recommends approval of this Amendment if funding is available and the project meets Panel priorities. This recommendation is based on Rio Hondo’s stated need on behalf of each participating employer to provide employees with the skills needed to transition to a high performance workplace, diversify products or services, and/or avoid future layoffs caused by outdated technologies and operating procedures. Training will assure each company's ability to remain competitive, to maintain jobs, and improve long-term opportunities for employment and business growth in California.

TRAINING PLAN: Phase I

| Grp/ Trainee Type | Types of Training | No. Retain | No. Class/Lab Videoconf. Hrs | No. CBT Hrs | No. SOST Hrs. | Cost per Trainee | Hourly Wage after 90 days |
|---|--|-----------------------|---|----------------------------|---|---|--|
| Retraitees Job Numbers 1-2 | Continuous Improvement, Hazardous Materials, Computer Skills, Management Skills, Manufacturing Skills, Literacy Skills | 265 | 40-58 | 0 | 0 | \$556-\$806 | *\$11.78- \$38.00 |
| | | | | | <u>Range of Hourly Wages</u> *\$11.78-\$38.00 | | |
| | | | | | <u>Prevalent Hourly Wage</u> \$17.00 | | |
| | | | | | <u>Average Cost per Trainee</u> \$641 | | |
| <u>Health Benefit used to meet ETP minimum wage:</u> * Health and dental benefits may be applied to the base wage in order to meet the ETP minimum hourly wage of \$11.78 for Los Angeles County. | | | | | <u>Turnover Rate</u> 20% or less | <u>% of Mgrs & Supervisors to be trained:</u> 40% or less | |

TRAINING PLAN: Phase II

| Grp/ Trainee Type | Types of Training | No. Retain | No. Class/Lab Videocnf. Hrs | No. CBT Hrs | No. SOST Hrs. | Cost per Trainee | Hourly Wage after 90 days |
|--|---|---------------|--------------------------------------|-------------------|---|---|---------------------------------|
| Retraitees JobNumber 3 | Continuous Improvement, Hazardous Materials, Computer Skills, Management Skills, Manufacturing Skills, | 150 | 40 | 0 | 0 | \$556 | *\$11.98- \$38.00 |
| | | | | | <u>Range of Hourly Wages</u> *\$11.98-\$38.00 | | |
| | | | | | <u>Prevalent Hourly Wage</u> \$17.00 | | |
| | | | | | <u>Average Cost per Trainee</u> \$556 | | |
| <u>Health Benefit used to meet ETP minimum wage:</u> *Health Benefits will be applied to the base wage in order to meet the ETP minimum hourly wage for Los Angeles County. | | | | | <u>Turnover Rate</u> 20% or less | <u>% of Mgrs & Supervisors to be trained:</u> 40% or less | |

RIO HONDO COLLEGE
“MENU” CURRICULUM

Class/Lab Hours
40-58

Trainees will receive any of the following:

CONTINUOUS IMPROVEMENT

- International Standards Operation (ISO) 9000 (maximum 8 hours)
 - Definitions and Rationale
 - Elements of Quality Systems Management
 - Identifying Current Organizational Operations
 - Increasing Accountability
- Production Techniques
 - Inventory Control
 - Controlling Work in Progress
 - Cost Components
- Project Management
 - Approach to Project Management
 - The Nature of Projects
 - Roles and Responsibilities
 - Project Planning
 - Scheduling Techniques
 - Project Control Techniques
 - Change Control
 - Project Reporting
 - Risk Management Techniques
 - Implementation Exercises
- Statistical Process Control (SPC)
 - Elements of SPC
 - Advanced SPC
 - Problem Solving Tools
 - Teambuilding
- Team Development
 - Characteristics of Successful Teams
 - Understanding Leadership Styles and Personality Types
- Total Quality Management (TQM)
 - TQM Concepts
 - Implementing TQM
 - TQM Theory and Application
 - Interpreting and Analyzing Data
 - Teams and the Leadership Process
 - Quality Improvement

Rio Hondo College
“Menu” Curriculum

- Lean Manufacturing
 - Problem Solving
 - Eliminating Sources of Waste
 - One-Piece Flow versus Batch
 - Set-Up Reduction
 - Leading Change
 - Communication Skills
 - Teams and Team Building
 - Problem Solving
 - Implementing Lean Manufacturing
 - Total Preventative Maintenance
- Customer Service
 - Ingredients of Customer Service
 - Communications Skills and Observations
 - Telephone Techniques
 - Promoting Repeat Business

HAZARDOUS MATERIALS

- Environmental Technology for Hazardous Waste Workers
 - Toxicology/Health Effects
 - Medical Surveillance
 - Air Monitoring and Instrumentation
 - Workers Rights
 - Personal Protective Equipment
 - Chemical Protective Clothing
 - Air Purifying Respirators
 - Air Purifying Respirators Fit Testing, Cleaning & Maintenance
 - Confined Spaces
 - Hazard Identification
 - Handling Abandoned Drums and Other Containers
 - Hazardous Waste Sites
 - Site Characterization
 - Site Control and Decontamination
 - Emergency Response Planning
 - Field Activity Health and Safety Planning
 - Handling and Shipping Hazardous Waste Samples
- Environmental Management Systems
 - Awareness
 - International Standards Operations (ISO)
 - Personal Protector Equipment
 - Levels of Protection

Rio Hondo College
“Menu” Curriculum

- Environmental Hazardous Materials Management
 - Department of Transportation Manifest and Shipping Requirements
 - Hazardous Categories Identification (HAZCAT ID)
 - Confined Space
 - Forklift

COMPUTER SKILLS

- Microsoft (MS) Excel
 - Navigating Through the Toolbars
 - Basics of Creating Workbooks and Spreadsheets
 - Updating, Editing, and Printing Existing Workbooks
 - Creating a Chart/Graph
- MS Word
 - Navigating Through the Toolbars
 - Basics of Creating and Saving a Document
 - Updating, Editing, and Formatting Documents
 - Merging Documents
 - Using Graphics
- Microsoft Applications and Disk Operating Systems (DOS)
 - Windows and DOS
 - Word
 - Excel
 - Outlook/Email
 - Access
 - PowerPoint
 - Using the Internet
- Developing and Maintaining a Web Site
 - Assessing location needs
 - Storyboarding
 - Hypertext Markup Language (HTML)
 - Incorporating Images
 - Creating Links

Rio Hondo College
“Menu” Curriculum

MANUFACTURING SKILLS

- Extrusion Fundamentals
 - Definitions and Objectives
 - Screw Drive System
 - The Extruder Head Zone
 - Polymer Melting and Mixing in the Barrel
 - Extrusion Process Control
- Materials Resource Planning (MRP)/
- Enterprise Resource Planning (ERP)
 - Total Manufacturing Systems Model
 - Input/Process/Output
 - Dependent versus Independent Demand
 - The Master Production Schedule
 - The ERP Input/Output Model
 - Scheduling Strategies
 - Advantages and Limitations of ERP
 - Material and Capacity Planning in Just-In-Time Environments
- Computer Numerical Controlled Machining (CNC)
 - Cartesian Coordinate System
 - Shop Safety (maximum 4 hours)
 - Feeds and Speeds
 - Cutting Tool Materials
 - Basic Milling Principles
 - Tooling Offsets
 - Programming Fundamentals
 - Monitoring Wear and Tear
 - First Article Inspection
- Blueprint Reading
 - Reading Drawings, Materials, Parts
 - Types of Lines and Drawings
 - Dimensioning
 - Elements of Print Reading
 - Sectional Views and Simplified Drafting
 - Tolerancing and Symbols
- Shop Math
 - Principles and Functions of Algebra and Geometry
 - Applications in Statistics
 - Principles and Functions of Trigonometry

Rio Hondo College
“Menu” Curriculum

MANAGEMENT SKILLS

- Management Leadership
 - The Role of a Leader
 - Delegation Techniques and Strategies
 - Communications
 - Planning and Control
 - Positive Discipline
- Effective Supervision
 - The Role of the Supervisor
 - Communication and Listening Skills
 - Delegation Techniques and Strategies
 - Time Management Strategies
 - Team Building Concepts and Strategies
- Management Development
 - Coaching for Improved Work Performance
 - Productivity Motivation
 - Conducting Effective Employee Interviews
 - Success Skills in Supervising Cultural Diversity
 - Appraisal of Individual Performance
 - Positive Discipline Strategies

LITERACY SKILLS (Job #2 Trainees Only)

- Vocational English As A Second Language
 - Voicing Reviews and Practice Patterns
 - Grammar and Syntax for Communication
 - Problem Solving
 - Reading and Comprehension of Procedures Manuals
- Basic Math
 - Basic Quantitative Calculations: Addition, Subtraction, Division, Multiplication, Fractions

**Participating Employers in Retrainee/New Hire
Multiple Employer Contracts**

Contractor's Name: Rio Hondo College

CCG No.: ET03-0196

Reference No: 03-0013

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PRINT OR TYPE

Company: American Apparel**Address: 747 Warehouse Street****City, State, Zip: Los Angeles, CA 90021****Contact Person/Title: Martin Bailey, Vice President of Operations****Telephone No.: (213)488 0226-ext. 291****Collective Bargaining Agreement(s): None****Estimated # of employees to be retrained or hired under this Agreement: 70****Total # of full-time company employees worldwide: 950 California: 950**

Company: Bumble Bee Seafoods, Inc.

Address: 13100 Arctic Circle

City, State, Zip: Santa Fe Springs, CA 90670

Contact Person/Title: Cindy Slawson, Human Resource Manager

Telephone No.: (562) 483-7443

Collective Bargaining Agreement(s): None

Estimated #of employees to be retrained or hired under this Agreement: 21

Total # of full-time company employees worldwide: 4,800

Company: Interbath, Inc.

Address: 665 No. Baldwin Park Blvd.

City, State, Zip: City of Industry, CA 91746

Contact Person/Title: Mario Perez, Director, Human Resources

Telephone No.: (626) 961-3534

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained or hired under this Agreement: 30

Total # of full-time company employees worldwide: 350

**Participating Employers in Retrainee/New Hire
Multiple Employer Contracts**

Contractor's Name: Rio Hondo College

CCG No.: ET030-0196

Reference No: 03-0013

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PRINT OR TYPE

Company: Lockheed Martin**Address: 1011 Lockheed Way****City, State, Zip: Palmdale, CA 93599****Contact Person/Title: Paul Meehan, Human Resources Director****Telephone No.: (661) 572-1157****Collective Bargaining Agreement(s): The International Association of Machinists and Aerospace Workers, #725****Estimated #of employees to be retrained or hired under this Agreement: 20****Total # of full-time company employees worldwide: 26,000 California: 42,000**

Company: Plastic Dress-Up Company

Address: 1107 Rush Street

City, State, Zip: El Monte, CA 91734

Contact Person/Title: Maria Velez, Human Resources Manager

Telephone No.: (626)442-7711

Collective Bargaining Agreement(s): None

Estimated #of employees to be retrained or hired under this Agreement: 36

Total # of full-time company employees worldwide: 367

Company: Vinyl Technology

Address: 200 Railroad Ave.

City, State, Zip: Monrovia, CA 91016

Contact Person/Title: Andrea Rhodes

Telephone No.: (626) 443-5257, Ext. 128

Collective Bargaining Agreement(s): None

Estimated #of employees to be retrained or hired under this Agreement: 20

Total # of full-time company employees worldwide: 93

**Participating Employers in Retrainee/New Hire
Multiple Employer Contracts**

Contractor's Name: Rio Hondo College

CCG No.: ET030-0196

Reference No: 03-0013Page 3

Company: Wei-Chuan USA INC

Address: 6655 S. Garfield Avenue

City, State, Zip: Bell Gardens, CA 90201

Contact Person/Title: T. Y. Sheu, Production Vice President

Telephone No.: (323) 587-6241

Collective Bargaining Agreement(s): None

Estimated #of employees to be retrained or hired under this Agreement: 18

Total # of full-time company employees worldwide: 300 **California:** 200
